

TEXAS DEPARTMENT OF AGRICULTURE

TODD STAPLES
COMMISSIONER



February 15, 2010

Ms. Katherine Stout
Director of Budget, Planning & Policy
Office of the Governor
1100 San Jacinto
Austin, TX 78701

Mr. John O'Brien, Director
Legislative Budget Board
1501 North Congress, 5th Floor
Austin, TX 78701

Dear Ms. Stout and Mr. O'Brien:

As required by the January 15th, 2010 letter from the Governor, Lieutenant Governor and Speaker of the House, the Texas Department of Agriculture has identified and is submitting possible reductions totaling 5% of the agency's General Revenue and General Revenue Dedicated appropriations for the 2010-11 biennium.

While the proposed cuts are not listed in any particular order, we look forward to working with you to identify areas that will have the least amount of impact to our constituents and the agency.

Thank you for your attention to these matters. Should you have questions or need additional information, please contact Heather Griffith Peterson, the Assistant Commissioner for Financial Services at (512) 463-3640 or by email at Heather.Griffith.Peterson@TexasAgriculture.gov.

Sincerely yours,



Drew DeBerry
Deputy Commissioner

DD/HGP/hgp

Enclosure



Texas Department of Agriculture

Possible Budget Reductions

Per January 15, 2010 letter from the Governor, Speaker and Lt. Governor

FY 2010-2011 General Revenue Budget as Adjusted	FY 2010-2011 General Revenue 5% Reduction Target	FY 2010-11 General Revenue - Dedicated Budget as Adjusted	FY 2010-2011 General Revenue - Dedicated 5% Reduction Target
\$ 143,746,551	\$ (7,187,328)	\$ 1,375,835	\$ (68,792)

Reduction Options						
Item	General Revenue			General Revenue - Dedicated		
	FY 2010	FY 2011	Biennial	FY 2010	FY 2011	Biennial
TAFA GR-D <i>Strategy 1-1-1 (Marketing)</i>				\$ (5,329)	\$ (5,329)	\$ (10,658)
Description of item: This 5% reduction would be taken from costs of administering the new TAFA programs as full costs of the program will not be realized until 2012-2013 biennium due to implementation.						
Texas Israel Exchange <i>Strategy 1-1-1 (Marketing)</i>	\$ (25,000)	\$ (25,000)	\$ (50,000)			
Description of item: This 10% reduction would be made in total grants awarded through the Texas-Israel Exchange (TIE). TIE grants are matched by the Binational Agricultural Research and Development Fund and the research institutions receiving the grant award. A reduction by TDA may result in additional reductions of overall research dollars through the program.						
GO TEXAN (GO-TEPP-GR-D) <i>Strategy 1-1-1 (Marketing)</i>				\$ (54,067)	\$ (4,067)	\$ (58,133)
Description of item: This 5% reduction will affect the amount of grants available to eligible GO TEXAN members.						
National Ag Statistics Service Contract <i>Strategy 1-1-1 (Marketing)</i>	\$ (40,000)	\$ (40,000)	\$ (80,000)			
Description of item: This 25% reduction would reduce the funding TDA uses to cooperate with the National Ag Statistics Service to develop certain agriculture reports for the state.						
Feral Hog Abatement Program <i>Strategy 1-1-1 (Marketing)</i>	\$ (100,000)		\$ (100,000)			
Description of item: This 10% reduction would affect feral hog research and abatement dollars. Texas A&M AgriLife Extension and the Texas Parks and Wildlife Department are the grant recipients of this program for FY 2010.						
Go TEXAN Rural Community Program <i>Strategy 1-1-1 (Marketing)</i>	\$ (70,000)	\$ (30,000)	\$ (100,000)			
Description of item: This 10% reduction would affect the amount of funds available for rural community marketing and promotional grants. TDA would suspend Downtown Beautification grants and would reduce the number of Hometown Stars and Bootstrap Bucks grants, which go toward promotion of rural community events and downtown improvements.						
Nutrition Education <i>Strategy 4-2-1 (Nutrition Assistance)</i>	\$ (50,000)	\$ (50,000)	\$ (100,000)			
Description of item: This 10% reduction would reduce the amount of nutrition grants available to early childhood education programs, including public schools, community organizations and faith-based organizations.						
Zebra Chip Research <i>Strategy 1-1-1 (Marketing)</i>	\$ (160,000)		\$ (160,000)			
Description of item: This 10% reduction would reduce the research conducted on the pathogens causing Zebra Chip Disease in potatoes. A grant agreement is currently in place with Texas A&M University AgriLife Research. Zebra Chip causes production losses for potato producers in Texas.						
Road Stations <i>Strategy 2-1-1 (Surveillance/Biosecurity)</i>	\$ (80,315)	\$ (82,874)	\$ (163,189)			
Description of item: This 10% reduction would be supplanted with federal funding TDA recently has been awarded to enhance detection of plant/pest diseases.						

Reduction Options						
Item	General Revenue			General Revenue - Dedicated		
	FY 2010	FY 2011	Biennial	FY 2010	FY 2011	Biennial
Surplus Agricultural Product Grant Program <i>Strategy 1-1-1 (Marketing)</i>	\$ (200,000)		\$ (200,000)			
Description of item: This 10% reduction to the current grant agreement with the Texas Food Bank Network would reduce the amount of surplus agriculture products delivered to food banks statewide.						
Food and Fiber Research Grant Program <i>Strategy 5-1-1 (Food and Fiber)</i>	\$ (139,075)	\$ (139,075)	\$ (278,150)			
Description of item: This 10% reduction would affect grants to Texas research institutions for research to improve the Texas food and fiber sector with the latest technologies..						
Fleet Purchases <i>Multiple Strategies</i>	\$ (112,500)	\$ (234,876)	\$ (347,376)			
Description of item: This 50% reduction would delay planned vehicle purchases and would increase the need for funding in the 2012-13 biennium.						
Texas Wine Marketing and Research Programs <i>Strategy 1-1-1 (Marketing)</i>	\$ (391,882)	\$ (24,025)	\$ (415,907)			
Description of item: This 10% reduction would impact the amount of research, marketing and grape growing grants and agency services available to promote the Texas wine industry. TDA would work with the Texas Wine Industry Development and Marketing Advisory Committee to identify specific reductions in planned expenditures.						
TAFB Uncollectible Debt Payoff <i>Strategy 1-1-1 (Marketing)</i>	\$ (735,000)		\$ (735,000)			
Description of item: This 5% reduction would impact the amount of loans available to farmers and grants available to young farmers.						
Hiring Freeze <i>Multiple Strategies</i>	\$ (512,000)	\$ (496,000)	\$ (1,008,000)			
Description of item: This \$1 million reduction would be achieved through a temporary hiring freeze and vacancy salary savings.						
Texas Boll Weevil Eradication Foundation <i>Strategy 1-1-3 (Integrated Pest Mgmt)</i>		\$ (1,450,000)	\$ (1,450,000)			
Description of item: This 5% reduction would affect the significant progress made to-date on the eradication of the boll weevil. The State of Texas began sharing the costs of eradication with cotton producers and the Federal Government more than 10 years ago and significant progress has been made. State funding needs for this effort in 2012-2013 would also be affected if this reduction is implemented.						
Home Delivered Meals <i>Strategy 1-1-1 (Marketing)</i>		\$ (2,000,000)	\$ (2,000,000)			
Description of item: This 10% reduction would reduce FY 2011 grants to participating organizations. Reduced funding would likely impact the number of meals served to elderly and disabled Texans by eligible organizations. Reductions would not impact the funds distributed through the initial funding formula; however, it would reduce the required pro-rated disbursement after formula funding is met.						
TOTAL REDUCTIONS	\$ (2,615,772)	\$ (4,571,850)	\$ (7,187,622)	\$ (59,396)	\$ (9,396)	\$ (68,792)